

UNAPPROVED MINUTES

VIRGINIA BOARD OF LONG TERM CARE ADMINISTRATORS MEETING MINUTES

The Virginia Board of Long Term Care Administrators convened for a board meeting on Monday, December 6, 2010 at the Department of Health Professions, Perimeter Center, 9960 Mayland Drive, 2nd Floor, Board Room #1, Henrico, Virginia.

The following members were present:

Mary M. Smith, NHA, Chair
John Randolph Scott, NHA, Assisted Living Facility Administrator, Vice-Chair
Kathleen R. Fletcher, MSN
Martha H. Hunt, Assisted Living Facility Administrator
Thomas J. Orsini, NHA

The following members were absent:

Ted A. LeNeave, NHA
Bertha Simmons, NHA, Assisted Living Facility Administrator
Gracie Bowers

DHP staff present for all or part of the meeting included:

Lisa R. Hahn, Executive Director
Lynne, Helmick, Deputy Executive Director
Dr. Dianne Reynolds-Cane, Agency Director
Arne W. Owens, Chief Deputy Director
Charles Giles, Budget Manager
Missy Currier, Board Operations Manager

Representative from the Office of the Attorney General present for the meeting:

Amy Marschean, Senior Assistant Attorney General

Quorum:

With 5 members present & consisting of at least one citizen member, a quorum was established.

Guests Present:

Beverley Sobel, VHCA

CALLED TO ORDER

Ms. Smith, Chair, called the Board meeting to order at 11:10 a.m.

PUBLIC COMMENT PERIOD

There was no public comment.

ORDERING OF AGENDA

The Agenda was accepted as ordered.

ACCEPTANCE OF MINUTES

Upon a motion by Ms. Fletcher and properly seconded by Mr. Orsini, the Board voted to accept the following minutes of the meetings:

- Minutes of Board Meeting – March 8, 2010
- IFC Minutes – March 8, 2010
- IFC Minutes – April 20, 2010
- IFC Minutes - July 19, 2010
- IFC Minutes – July 26, 2010
- IFC Minutes – August 31, 2010
- Summary Conference Minutes – October 19, 2010
- IFC Minutes – October 20, 2010

The motion passed unanimously.

EXECUTIVE DIRECTOR'S REPORT – Lisa R. Hahn

Ms. Hahn began her report with a PowerPoint presentation detailing the following expenditure and revenue information, disciplinary statistics and Key Performance Measures:

Expenditure & Revenue Summary FY10

The cash balance as of June 30, 2009 was \$(16,929); the revenue for Fiscal Year 10 was \$354,270; direct and allocated expenditures were \$452,147; a one time cash transfer for FY10 Caboose Bill was \$10,072; a one time cash transfer for FY10 Administration Reduction was \$7,925; the ending cash balance as of June 30, 2010 was \$(98,946).

Expenditure & Revenue Summary 1st Qtr ending September 30, 2010

The cash balance as of June 30, 2010 was \$(98,946); the revenue for Fiscal Year 11 was \$17,345; direct and allocated expenditures were \$129,110; the ending cash balance as of September 30, 2010 was \$(210,711).

Cash Balance as of 10/31/2010

The cash balance as of June 30, 2010 was \$(98,946); the revenue for Fiscal Year 11 was \$23,010; direct and allocated expenditures were \$176,046; the ending cash balance as of October 31, 2010 was \$(251,982). Ms. Hahn added that the projected revenue for FY11 was \$383,045 and the projected expenditures were \$488,187 leaving a projected cash balance at fiscal year 2011 of \$(204,088).

Allocated Costs vs. Direct Expenditures

Ms. Hahn further explained the boards “Allocated” vs. “Direct” expenditures and how the money is spent.

Direct Expenditures are personnel costs, office equipment & supplies, transportation services, and those items that are within the board’s control. She added that in FY10 the amount spent in this area was 87% of the budgeted amount.

Allocated Expenditures are costs which are allocated to the boards based upon how the board uses a particular service. Examples given were Enforcement costs, APD, OAG services, and Administrative and Support Services like VITA/Northrop Grumman. Allocated Expenditures exceeded the budget by 204%.

Areas over Budget

Ms. Hahn pointed out the four areas that greatly exceeded the budget; Investigations by 497%, Adjudication costs by 369%, Program Development and Implementation by 114% and VITA/Northrop Grumman by 115%.

Plan of Action

Ms. Hahn informed the board that she had held several meetings with Enforcement, Finance, and the Administration to develop alternative methods to manage costs. Efforts will include:

Streamlining investigations and case management by monitoring the hours spent investigating a case and ensuring only necessary information is obtained. Additionally, Ms. Hahn assured the board that “companion” cases particularly the nursing cases will not be docketed to the board without her review and prior authorization. At the suggestion of Ms. Smith, a special committee was formed that will be in charge of setting protocols on types of cases and to identify the type of information the board needs in determining cases. Members on this committee will be: Mary Smith, Randy Scott, Martha Hunt, Kathleen Fletcher and Tom Orsini.

Reducing APD costs charged to the board by having staff prepare any documents they can within the confines of the law.

Legislative efforts need to be made in order to mandate fee recovery for investigations and hearing expenses from the respondents that are found in violation of the regulation and or law. Ms. Hahn mentioned that the Board of Dentistry has the statutory authority to assess disciplinary costs to violators but are currently waiting for their regulations to be signed by the Governor.

Budget reductions will continue to be looked into by Dr. Reynolds-Cane, the Secretary's Office, the Budget Director and the IT Director in a collaborative effort to reduce or remedy the large increase in VITA costs.

Licensee Statistics

Ms. Hahn provided the licensee statistics in the agenda packages under tab 2.

Virginia Performs

The age of our pending case load over 250 days is at 5%. We were able to close all cases within 250 days and therefore achieved a 100% clearance rating. The customer satisfaction rating achieved was 93% and licensing within 30 days was at 100%.

Discipline Statistics

Ms. Hahn reported there are currently 51 open cases, 10 times the amount the board had in 2009. Additionally, 25 cases are in Investigations, 15 cases are in the probable cause level, 7 are in APD, 1 is at the informal stage, and 3 are at the formal stage. Ms. Hahn also shared that in 2009, the board held 4 disciplinary meetings versus 17 meetings in 2010.

2011 Calendar

Ms. Hahn stated the 2011 board meetings are scheduled for March 15th, June 21st, September 13th, and December 13th. She also mentioned that if there are not enough agenda items to substantiate a meeting, we will postpone or cancel a meeting in light of the budget.

NEW BUSINESS

Consideration of Fee Increase – Charles Giles

Mr. Giles opened discussion by thanking the board for allowing him to speak regarding the updated financial position and to assist with the information they will need to make a decision on proposed fee increases. Mr. Giles pointed out that the board approved a NORIA during the March 2010 meeting based on the need for a fee increase. He further stated that without a fee increase, the anticipated cash balance at the end of FY11 will be (204,088) and that by the end of FY2016 it would be approximately (951,192). He also stated that in Ms. Hahn's initial review through FY2016, Ms. Hahn was able to identify an approximate savings overall of about \$23,000 annually. Mr. Giles explained to the members that the numbers

were projections and that it is unknown what the future holds. He stressed that it was imperative to have certain costs as “place holders” in the budget in the event certain expenses are approved by the General Assembly such as cost of living increases or raises.

Much of the discussion centered on the significant increase in fees charged to the agency by Northrop Grumman & Virginia Information Technologies Agency (VITA). Mr. Giles stated that the fees charged to the Agency in FY05 were approximately \$850,000. The fees are now projected to be approximately 3.6 million in FY11 and 4.4 million in FY12. The agency anticipates that by FY2012, the increase will be approximately 417%. Mr. Giles concluded that the board needs to increase their fees in order to eliminate a large budget shortfall.

Adoption of NOIRA Related to Fee Adjustments

Ms. Hahn led discussion on the methodology for the fee increases by offering three different options. She explained the difference in the three options was a matter of timing and anticipation of the need for another fee increase. Ms. Hahn stated that Option II and III allow for two different fee increases through FY16 while anticipating shortfalls the board may have. She explained that it is much easier process to reduce fees than to initiate an increase.

Upon a motion by Ms. Fletcher and properly seconded by Mr. Scott, the board voted to accept Option III for fee increases. The motion carried unanimously.

ELECTION OF OFFICERS

Upon the suggestion by Board Chair Mary Smith, the election of officers was deferred to the next meeting. Ms. Smith asked the board members to forward any nominations they may have directly to Ms. Hahn and to not share the information with each other.

OTHER BUSINESS

Ms. Hahn informed the board members of the new online procedure for becoming appointed or re-appointed as a board member. Additionally, she asked that if anyone was planning on seeking re-appointment, to let her know so that she could inform Administration.

ADJOURNMENT

With all business concluded, the meeting was adjourned at 12:25 p.m.

Mary Smith, NHA, Chair

Lisa R. Hahn, Executive Director

Date

Date